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96TH CONGRESS
2d Session

SENATE

EXECUTIVE
Z

ORIGINAL

PROTOCOL AMENDING THE 1971 TAX CONVENTION WITH THE KINGDOM OF NORWAY

COMPLETED

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

THE PROTOCOL AMENDING THE CONVENTION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE KINGDOM OF NORWAY FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME AND PROPERTY SIGNED AT OSLO ON DECEMBER 3, 1971, WHICH PROTOCOL WAS SIGNED AT OSLO ON SEPTEMBER 19, 1980

December 2, 1980.—Protocol was read the first time and, together with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed for the use of the Senate

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LETTER OF TRANSMITTAL

THE WHITE HOUSE, *December 2, 1980.*

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, a protocol amending the Convention between the United States of America and the Kingdom of Norway signed at Oslo on December 3, 1971, which Protocol was signed at Oslo on September 19, 1980. I also enclose, for the information of the Senate, the report of the Department of State.

The Protocol modifies the existing convention between the United States and Norway. It takes into account changes in Norway's tax system during the years since the Convention was negotiated and otherwise brings it up to date.

In 1975, Norway amended its corporate tax in several ways to increase the burden of that tax on corporations deriving income from the extraction of offshore oil and gas. The 1975 legislation also added a special tax on income from submarine petroleum resources. Article I of the Protocol clarifies certain questions arising from these changes by providing foreign tax credits with respect to the corporate tax and the special tax, with a limitation for taxpayers subject to the special tax to the amount necessary to offset United States tax on the petroleum income from sources within Norway. This limitation is similar to that contained in the Third Protocol to the income tax convention between the United States and the United Kingdom.

The Convention does not provide specific rules to determine when a country has the right to tax income resulting from the exploration or exploitation of its continental shelf and its natural resources. Article II of the Protocol allows Norway and the United States to impose a tax on income derived from the exploitation or exploration of natural resources on their respective continental shelves after such activities have existed for more than 30 days in a twelve month period. With respect to income from employment in such activities, however, an exemption is provided for wages attributable to sixty days of personal services performed in the taxable year.

In addition, the Protocol modifies the rate of withholding tax at source on dividends and interest and allows the United States to tax gains from the sale of shares in companies whose assets consist principally of United States real property. It also contains other provisions, including a new provision on the tax treatment of entertainers and athletes and clarifies provisions on administrative cooperation.

I recommend that the Senate give early and favorable consideration to the Protocol and give advice and consent to its ratification.

JIMMY CARTER.

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LETTER OF SUBMITTAL

DEPARTMENT OF STATE,
Washington, November 13, 1980.

The PRESIDENT,
The White House.

THE PRESIDENT: I have the honor to submit to you, with a view to its transmission to the Senate for advice and consent to ratification, the Protocol amending the Convention between the Government of the United States of America and the Kingdom of Norway for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and property signed at Oslo on December 3, 1971, which Protocol was signed at Oslo on September 19, 1980.

The Protocol modifies the existing convention between the United States and Norway. It takes into account changes in Norway's tax system during the intervening years and otherwise brings the Convention up to date.

In 1975, Norway amended its corporate tax in several ways to increase the burden of that tax on corporations deriving income from the extraction of offshore oil and gas. The 1975 legislation also added a special tax on income from submarine petroleum resources. Due to the nature of the 1975 changes and subsequent amendments, it is not clear whether the payments being made to Norway by United States taxpayers engaged in offshore petroleum extraction are eligible for the foreign tax credit in the United States. Article I of the Protocol resolves this issue by providing that foreign tax credits are available with respect to the corporate tax and special surcharge on offshore petroleum income. The amount of credit for taxpayers subject to the special tax is limited, however, to the amount necessary to offset United States tax on the petroleum income from sources within Norway. This per country limitation is similar to the limitation contained in the Third Protocol to the income tax convention between the United States and the United Kingdom.

The existing income tax convention between the United States and Norway does not specify when activities in connection with the exploration or exploitation of a country's continental shelf and its natural resources are sufficient to give that country the right to impose tax, as the country of the source of the income from such activities. Article II of the Protocol allows Norway and the United States to impose tax on income arising from the exploitation or exploration of natural resources on its continental shelf after such activities exist for more than 30 days in a twelve month period. This rule applies to income of employees and independent contractors as well as to corporate profits. In the case of employees, however, an exemption is provided for wages attributable to sixty days of personal services performed in the taxable year.

The Protocol modifies the provisions for the rates of withholding tax at source on dividends and interest. In the case of dividends, the rate of withholding is increased from 10 to 15 percent. Norway has been amending its tax conventions with other countries to assure the uniform application of 15 percent withholding on Norwegian dividends. This increase in Norway's withholding tax is mitigated by Norway's split rate tax system which allows corporations to reduce their Norwegian corporate tax burden by making larger distributions to their shareholders.

The provision in the Convention exempting interest from tax in the country of source is modified by Article V of the Protocol to allow imposition of a 10 percent withholding tax. Interest arising on commercial credit, bank loans, and obligations outstanding on the date of the signature of the Protocol remains, however, exempt from withholding tax. Furthermore, interest generally remains exempt in the country of source unless the other country has legislation in effect which authorizes the taxation of interest paid to nonresidents. Norway does not now have a withholding tax on interest. Thus, at this time, all interest remains exempt from tax at source under Article V of the Protocol.

As in the case of other recent United States tax treaties, the Protocol with Norway contains a provision designed to allow the United States to tax gains derived by residents of Norway from the sale of stock of a corporation, or an interest in a partnership, trust or an estate, in cases where the property of such entities consists principally of United States real estate. Other provisions of the Protocol include a new article on the tax treatment of entertainers and athletes, a technical amendment to the exemption for social security payments made by the other country, and a clarification that former United States citizens who give up their citizenship to avoid United States tax do not benefit from the Convention. Also included is a definition of Norway's obligation to give credits for United States taxes, and provisions to modernize the Mutual Agreement Procedure and Exchange of Information articles of the Convention.

The Protocol will enter into force upon the exchange of instruments of ratification and its provisions will have effect:

(a) In respect of credits against United States tax allowed pursuant to Article I of this Protocol, as of the sixth taxable year preceding January 1 of the year in which the Portocol enters into force;

(b) In respect of tax withheld at the source, to amounts paid on or after the first day of the sixth month next following the date on which the Protocol enters into force:

(c) In respect of other taxes, for taxable years beginning on or after January 1 of the year following the year in which the Protocol enters into force.

A technical memorandum explaining in detail the provisions of the Protocol is being prepared by the Department of the Treasury and will be submitted to the Senate Committee on Foreign Relations.

The Department of the Treasury, with the cooperation of the Department of State, was primarily responsible for the negotiation of the Convention. It has the approval of both Departments.

Respectfully submitted.

EDMUND S. MUSKIE.

PROTOCOL AMENDING THE CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE KINGDOM OF NORWAY FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME AND PROPERTY, SIGNED AT OSLO ON DECEMBER 3, 1971

The United States of America and the Kingdom of Norway, desiring to conclude a Protocol to amend the Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Property, signed at Oslo on December 3, 1971, have agreed as follows:

ARTICLE I

(1) Paragraph (2) of Article 1 (Taxes Covered) shall be deleted and replaced by the following:

"(2)(a) This Convention shall also apply to:

"(i) taxes substantially similar to those covered by paragraph (1) which are imposed in addition to, or in place of, existing taxes after the date of signature of this Convention; and

"(ii) in the case of Norway, the national and municipal taxes on income (including contributions to the tax equalization fund), and the special tax administered under section 5 of the Act of 13 June 1975, No. 35, relating to the taxation of submarine petroleum resources, as in effect on the date of signature of the Protocol to this Convention, and taxes substantially similar thereto enacted after such date.

"(b) The terms 'United States tax' and 'Norwegian tax' used in paragraph (1) are deemed to include, respectively, the taxes imposed by the United States and Norway described in this paragraph (2)."

(2) Paragraph (1) of Article 23 (Relief From Double Taxation), and the introductory language that precedes paragraph (1) of Article 23, shall be deleted and replaced by the following:

"(1) in the case of the United States, double taxation shall be avoided as follows:

"(a) in accordance with the provisions and subject to the limitations of the law of the United States (as it may be amended from time to time without changing the general principle hereof), the United States shall allow to a resident or citizen of the United States as a credit against the United States tax on income and appropriate amount of income taxes imposed by Norway; and, in the case of a United States company owning at least 10 percent of the voting stock of a company which is a resident of Norway from which it receives dividends in any taxable year, the United States shall allow as a credit against the United States tax on income the appropriate amount of income taxes imposed by Norway on the company which is a resident of Norway with respect to the profits out of which such dividends are paid. For purposes of applying the United States credit in relation to taxes paid or accrued to Norway, the Norwegian taxes referred to in paragraphs (1)(b) and

(2) of Article 1 (Taxes Covered) (other than the national and municipal taxes on capital, the municipal tax on real property, and taxes substantially similar to such taxes on capital and real property but imposed by Norway after the date of signature of the Convention) shall be considered to be income taxes, and shall be allowed as a credit against the United States tax on income, subject to the provisions of subparagraph (b).

"(b) The appropriate amount allowed as a credit by the United States shall be based upon the amount of income taxes paid or accrued to Norway. However, the credit shall not exceed the limitations (for the purpose of limiting the credit to the United States tax on income from sources outside of the United States) provided by United States law for the taxable year. In addition, in the case of income taxes paid or accrued to Norway by persons subject to the special tax referred to in subparagraph (2)(a)(ii) of Article 1 (Taxes Covered), or to a substantially similar tax, the appropriate amount allowed as a credit by the United States shall be limited to the amount of income taxes paid or accrued to Norway attributable to Norwegian source taxable income in the following way:

"(i) with respect to income taxes paid or accrued to Norway on oil and gas extraction income from oil or gas wells in Norway, the amount to be allowed as a credit for a taxable year shall not exceed the product of:

"(a) the maximum statutory United States tax rate applicable to a corporation for such taxable year, and

"(b) the amount of such income.

"(ii) further, the lesser of:

"(a) the amount of taxes paid or accrued to Norway on oil and gas extraction income from oil or gas wells in Norway that is not allowable as a credit under subparagraph (i), or

"(b) two percent of such income for the taxable year

shall be deemed to be income taxes paid or accrued in the two preceding or five succeeding taxable years, to the extent not deemed paid or accrued in a prior taxable year, and shall be allowable as a credit in the year in which it is deemed paid or accrued subject to the limitation in subparagraph (i).

"(iii) the provisions of subparagraphs (i) and (ii) shall apply separately, in the same way (but with the deletion, in the case of subparagraph (ii), of the words 'the lesser of (a)' and 'or (b) two percent of such income for the taxable year') to the amount of income taxes paid or accrued to Norway on:

"(a) Norwegian source oil related income not described in subparagraph (i); and

"(b) other Norwegian source income."

ARTICLE II

The following new Article 4A (Offshore Activities) shall be inserted after Article 4 (Permanent Establishment):

"ARTICLE 4A—OFFSHORE ACTIVITIES

"(1) Notwithstanding the provisions of Articles 4 (Permanent Establishment) and 13 (Independent Personal Services), a resident

of a Contracting State who carries on activities in the other Contracting State in connection with the exploration or exploitation of the seabed and sub-soil and their natural resources situated in that other Contracting State shall be deemed to be carrying on in respect of those activities a business in that other Contracting State through a permanent establishment or fixed base situated therein.

"(2) The provisions of paragraph (1) shall no apply where the activities are carried on for a period not exceeding 30 days in the aggregate in any 12 month period. However, for the purpose of this paragraph, activities carried on by a person related to another person within the meaning of Article 7 (Related Persons) shall be regarded as carried on by the last-mentioned person if the activities in question are substantially the same as those carried on by that last-mentioned person.

"(3) Notwithstanding the preceding paragraphs, the provisions of Article 6 (Shipping and Air Transport) shall apply to profits derived by a resident of a Contracting State from the transportation by ship or aircraft of supplies or personnel to a location where activities in connection with the exploration or exploitation of the seabed and subsoil and their natural resources are being carried on in the other Contracting State, or from the operation of tugboats and similar vessels in connection with such activities.

"(4) Notwithstanding Article 14 (Dependent Personal Services), wages, salaries and similar remuneration derived by an individual who is a resident of one of the Contracting States from labor or personal services in connection with the exploration or exploitation of the seabed and sub-soil and their natural resources situated in the other Contracting State shall not be taxable in that other State to the extent such wages, salaries and similar remuneration are attributable to:

"(a) Labor or personal services performed in that other State for a period of 60 days in the taxable year; or

"(b) If that other State is Norway, labor or personal services performed on behalf of an employer who is a resident of the United States with respect to petroleum reservoirs which extend between Norway and any other State, provided that there is an agreement between Norway and that other State for joint exploitation of the reservoir and the exploitation is performed simultaneously in both States. This provision shall, however, only come into force by a separate agreement between the competent authorities of the Contracting States.

"(5) Wages, salaries and similar remuneration derived by an individual who is a resident of a Contracting State in respect of labor or personal services rendered aboard a ship or aircraft covered by paragraph (3) shall be taxed in accordance with paragraph (3) of Article 14 (Dependent Personal Services)."

ARTICLE III

Paragraph (1) of Article 6 (Shipping and Air Transport) shall be deleted and replaced by the following:

"(1) Notwithstanding Article 5 (Business Profits), income which a resident of the United States derives from the operation in inter-

national traffic of ships or aircraft shall be exempt from Norwegian tax."

ARTICLE IV

(1) Paragraph (2) of Article 8 (Dividends) shall be deleted and replaced by the following:

"(2) The rate of tax imposed by one of the Contracting States on dividends derived from sources within that Contracting State by a resident of the other Contracting State shall not exceed 15 percent of the gross amount actually distributed."

(2) Paragraph (4) of Article 8 (Dividends) shall be deleted and replaced by the following:

"(4) Dividends paid by a corporation of one of the Contracting States shall be exempt from tax by the other Contracting State except insofar as:

"(a) The recipient of the dividends is a resident of the other Contracting State;

"(b) In the case of dividends paid by a Norwegian corporation, the recipient of the dividends is a citizen of the United States;

"(c) The recipient of the dividends has a permanent establishment in that other State and the shares with respect to which the dividends are paid are effectively connected with such permanent establishment; or

"(d) In cases where that other State is the United States, such dividends are paid out of profits attributable to one or more permanent establishments which such corporation had in that other State, provided that such profits constituted at least 50 percent of such corporation's gross income from all sources.

"Where subparagraph (d) applies and subparagraphs (a), (b) and (c) do not apply, any such tax shall be subject to the limitation of paragraph (2)."

ARTICLE V

Article 9 (Interest) shall be deleted and replaced by the following:

"ARTICLE 9—INTEREST

"(1) Interest derived from sources within one of the Contracting States by a resident of the other Contracting State may be taxed by both Contracting States; provided, however, that such interest shall be exempt in the first-mentioned State in any calendar year in which the other State exempts similar interest derived from sources within that State from taxation under its domestic law.

"(2) The rate of tax imposed by a Contracting State on interest derived from sources within that State by a resident of the other Contracting State shall in no event exceed 10 percent of the gross amount of the interest.

"(3) Notwithstanding the provisions of paragraph (2), interest derived from sources within one of the Contracting States by a resident of the other Contracting State shall in all events be exempt from tax by the first-mentioned State if:

"(a) The interest is beneficially owned by, or is paid by, a Contracting State, a political subdivision or local authority there-

of or an instrumentality, sub-division or authority of a Contracting State which is not subject to tax by that State;

"(b) The interest is beneficially owned by a resident of a Contracting State with respect to debt obligations guaranteed or insured by that State, a political subdivision or local authority thereof or an instrumentality, subdivision or authority of such State which is not subject to tax by that State;

"(c) The interest is paid by a purchaser to a seller in connection with a commercial credit resulting from deferred payments for goods, merchandise or services;

"(d) The interest is paid with respect to a loan of any nature made by a bank; or

"(e) The interest is paid with respect to an obligation outstanding on the date of signature of this Protocol.

"(4) The term 'interest' as used in this Convention means income from bonds, debentures, Government securities, notes or other evidences of indebtedness, whether or not secured, and debt-claims of every kind, as well as all other income which, under the taxation law of the Contracting State in which the income has its source, is assimilated to income from money lent.

"(5) Paragraphs (2) and (3) shall not apply if the beneficial owner of the interest, being a resident of one of the Contracting States, has a permanent establishment in the other Contracting State and the indebtedness giving rise to the interest is effectively connected with such permanent establishment. In such a case, see paragraph (6)(a) of Article 5 (Business Profits).

"(6) Where any interest paid by a person to any related person exceeds an amount which would have been paid to an unrelated person, the provisions of this Article shall apply only to so much of the interest as would have been paid to an unrelated person. In such a case the excess payment may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

"(7) Interest paid by a resident of one of the Contracting States to a person other than a resident of the other Contracting State (and in the case of interest paid by a Norwegian corporation, to a person other than a citizen of the United States) shall be exempt from tax by the other Contracting State. This paragraph shall not apply if:

"(a) Such interest is treated as income from sources within the other Contracting State under paragraph (2) of Article 24 (Source of Income); or

"(b) The recipient of the interest has a permanent establishment in the other Contracting State and the indebtedness giving rise to the interest is effectively connected with such permanent establishment."

ARTICLE VI

(1) Paragraph (1) of Article 12 (Capital Gains) shall be amended by redesignating subparagraphs (b) and (c) as, respectively, (d) and (e), and by inserting after subparagraph (a) the following new subparagraphs (b) and (c):

"(b) The gain is derived by a resident of one of the Contracting States from the sale, exchange or other disposition of:

"(i) Stock of a corporation the property of which consists principally of real property situated within the other Contracting State; or

"(ii) An interest in a partnership, trust or estate the property of which consists principally of real property situated within the other Contracting State.

For the purposes of this subparagraph, the term 'real property' includes stock of a corporation referred to in subparagraph (b)(i) or an interest in a partnership, trust or estate referred to in subparagraph (b)(ii).

"(c) The gain is derived by a resident of one of the Contracting States from the sale, exchange or other disposition of stock of a corporation which is a resident of the other Contracting State, but only if:

"(i) The recipient of the gain owns within the 12 month period preceding such sale, exchange or other disposition more than 25 percent of the stock of that corporation; and

"(ii) More than 50 percent of the fair market value of the gross assets of that corporation used in its trade or business are physically located in the other Contracting State on the last day of each of the three taxable years preceding the sale, exchange or other disposition (or, if the corporation has been in existence for less than 3 years, on the last day of each preceding taxable year of the corporation)."

(2) Paragraphs (3) and (4) of Article 12 (Capital Gains) shall be deleted and a new paragraph (3) shall be inserted after paragraph (2):

"(3) In the case of gains described in paragraph (1)(a), see Article 11 (Income from Real Property). In the case of gains described in paragraph (1)(d), see paragraph 6(a) of Article 5 (Business Profits)."

(3) Paragraph (8) of Article 24 (Source of Income) shall be deleted and replaced by the following:

"(8) Income from gains described in paragraph (1) of Article 12 (Capital Gains), derived by a resident of a Contracting State but which may be taxed by the other Contracting State, shall be treated as income from sources within that other Contracting State."

ARTICLE VII

(1) Subparagraph (c) of paragraph (2) of Article 13 (Independent Personal Services) shall be deleted and replaced by the following:

"(c) The individual is a public entertainer, such as a theater, motion picture or television artist, a musician or an athlete, and the income is derived from his personal services as a public entertainer provided that he is present in that other Contracting State for more than a total of 90 days during the taxable year or such income exceeds in the aggregate 10,000 United States dollars or its equivalent in Norwegian Kroner during the taxable year."

(2) The following now Article 14A (Artistes and Athletes) shall be inserted after Article 14 (Dependent Personal Services):

"ARTICLE 14A—ARTISTES AND ATHLETES

"Where income in respect of activities exercised by an entertainer or an athlete in his capacity as such accrues not to that entertainer or athlete but to another person, that income may, notwithstanding the provisions of Articles 5 (Business Profits), 13 (Independent Personal Services), and 14 (Dependent Personal Services), be taxed in the Contracting State in which the activities of the entertainer or athlete are exercised. For purposes of the preceding sentence, income of an entertainer or athlete shall be deemed not to accrue to another person if it is established that neither the entertainer or athlete, nor persons related thereto, participate directly or indirectly in the profits of such other person in any manner, including the receipt of deferred remuneration, bonuses, fees, dividends, partnership distributions or other distributions."

ARTICLE VIII

Article 19 (Social Security Payments) shall be deleted and replaced by the following:

"ARTICLE 19—SOCIAL SECURITY PAYMENTS

"Social Security payments and other public pensions paid by one of the Contracting States to an individual who is a resident of the other Contracting State or a citizen of the United States shall be taxable only in the first-mentioned Contracting State. This Article shall not apply to payments described in Article 17 (Governmental Functions)."

ARTICLE IX

Paragraph (3) of Article 22 (General Rules of Taxation) shall be amended by adding after the first sentence thereof the following:

"For this purpose the term "citizen" shall include a former citizen whose loss of citizenship had as one of its principal purposes the avoidance of income tax, but only for a period of ten years following such loss."

ARTICLE X

Paragraph (2) of Article 23 (Relief from Double Taxation) shall be amended as follows:

(1) The first sentence of subparagraph (a) shall be amended by changing "subject to the provisions of subparagraphs (b) or (c) of this paragraph" to "subject to the provisions of subparagraphs (b), (c), or (d) of this paragraph".

(2) Subparagraph (c) shall be deleted and replaced with the following:

"(c) In determining its tax on a Norwegian corporation receiving dividends from a United States corporation in which it owns 10 percent or more of the stock, Norway shall allow a credit against the tax otherwise payable by the Norwegian corporation for that part of United States tax imposed on the profits of the United States corporation out of which the dividends were paid, in the proportion that the

dividends received bear to the accumulated profits of the United States corporation in excess of that tax, provided that an amount equal to such credit is recognized by the Norwegian corporation as income in the year in which the dividend is received. Such credit shall not, however, exceed that part of the tax, as computed before the credit is given, which is appropriate to the income derived from sources in the United States under the rules set forth in Article 24 (Source of Income)."

(3) A new subparagraph (d) shall be added as follows:

"(d) Where a resident of Norway derives income which, in accordance with paragraph (1) of Article 4(A) (Offshore Activities), may be taxed in the United States, Norway may tax such income but shall allow as a credit against the tax in Norway on that income an amount equal to the tax paid in the United States. Such credit shall not, however, exceed that part of the tax as computed before the credit is given, which is attributable to the income which may be taxed in the United States."

ARTICLE XI

(1) Paragraph (4) of Article 27 (Mutual Agreement Procedure) shall be amended by adding at the end thereof the following:

"Any agreement reached shall be implemented notwithstanding any time limits in the domestic law of the Contracting States."

(2) The following new paragraph (5) shall be added to Article 27 (Mutual Agreement Procedure):

"(5) Where any provision in this Convention specifies an amount in currency, the competent authorities may agree to adjust such amount upward in light of economic developments."

ARTICLE XII

Paragraph (3) of Article 28 (Exchange of Information) shall be deleted and replaced by the following:

"(3) The exchange of information shall be either on a routine basis or on request with reference to particular cases. If information is requested by a Contracting State in accordance with this Article, the other Contracting State shall obtain the information to which the request relates in the same manner and to the same extent as if the tax of the first-mentioned State were the tax of that other State and were being imposed by that other State. If specifically requested by the competent authority of a Contracting State, the competent authority of the other Contracting State shall provide information under this Article in the form of depositions of witnesses and authenticated copies of unedited original documents (including books, papers, statements, records, accounts or writings), to the same extent such depositions and documents can be obtained under the laws and administrative practices of such other State with respect to its own taxes."

ARTICLE XIII

(1) This Protocol shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

(2) This Protocol shall enter into force upon the exchange of instruments of ratification and its provisions shall have effect:

(a) In respect of credits against United States tax allowed pursuant to Article I of this Protocol, as of the sixth taxable year preceding January 1 of the year in which this Protocol enters into force;

(b) In respect of tax withheld at the source, to amounts paid on or after the first day of the sixth month next following the date on which this Protocol enters into force;

(c) In respect of other taxes, for taxable years beginning on or after January 1 of the year following the year in which this Protocol enters into force.

DONE at Oslo in duplicate, in the English and Norwegian languages, both texts having equal authenticity, this 19th day of September, 1980.

FOR THE UNITED STATES OF AMERICA:

FOR THE KINGDOM OF NORWAY:

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